This Issue of the A. F. of L. Weekly News Service Consists of 2 Pages

The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

Entered as second-class matter September 20, 1912, at the Post Office at Washington, D. C., under the Act of August 24, 1912. Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1918.

We affirm, as a fundamental principle, that labor, the creator of wealth, is entitled to all it creates.—Wendell Phillips.

WHOLE NO. 1455 | WILLIAM GREEN, President | WASHINGTON, D. C., SATURDAY, MARCH 4, 1939. | FRANK MORRISON, Secretary-Treasurer | VOL. 29, NO. 9

Annulling A. F. L. Contracts by Labor Board Violates Intent and Spirit of the Labor Relations Act

By A. F. of L. Weekly News Service.

The manifest bias and prejudice toward the American Federation of Labor which the National Labor Relations Board has exhibited in its administration of the National Labor Relations Act is indubitably shown by the board's well-defined policy to annul agreements which A. F. of L. affiliates have negotiated with employers.

This arrogated power, not conferred by the act itself, has been definitely used by the Labor Board to forward its well-defined plan to build up unions affiliated with the Committee for Industrial Organization, now called the Congress of Industrial Organizations, and at the same time weaken American Federation of Labor unions.

One of the recent activities of the Labor Board in this field is the nullification of an agreement between the Brotherhood of Railway Carmen of America and the Mount Vernon Car Manufacturing Company of Mount Vernon, Illinois, which had been in harmonious operation for a number of months. The board coupled its nullification with an order requiring the company to bargain collectively with the C. I. O. Amalgamated Association of Iron, Steel and Tin Workers, one of the unions whose charters were revoked by the A. F. of L. for membership in the dual C. I. O. organization.

Following a careful study of this agreement nullification policy of the Labor Board, the Executive Council of the American Federation of Labor made the following general indictment of this particular form of maladministration in its report to the 1938 A. F. of L. convention:

"The National Labor Relations Board has in many cases built up a straw-man by the use of the word 'favoritism' by the employer, as a result of which, it has violated the sanctity of contractual obligations between employers and American Federation of Labor unions, has invalidated contracts and virtually disestablished existing American Federation of Labor unions."

In amplifying this charge, the Executive Council made this significant statement, which was adopted by the convention as its own declaration:

"Precedent-making decisions have been handed down in which contracts between employers and American Federation of Labor unions have been invalidated. This has been accomplished by the Board by adopting a rule termed 'favoritism' by the employer for the American Federation of Labor unions in the matter of organization. The Board has accomplished this by rulings in which it ascribed to employers acts of 'favoritism' toward the American Federation of Labor unions in the matter of organization.

"The Board has applied these rulings in such a way that if a foreman or a minor supervisory employe who has no right to hire or fire but who is eligible to membership in the C. I. O. and A. F. of L. unions, makes, without authorization from any official of the employer, a statement favorable to the American Federation of Labor union of which the employe in question is a member, such statement is sufficient to invalidate contracts lawfully entered into between the employer and the A. F. of L. union.

"The following cases, which do not include all the cases on the subject, are proof of the foregoing charge:

"Consolidated Edison Company; Serrick Corporation; National Motor Bearing Company; Zenite Metal Corporation; Carrollton Metal Products Company; National Electric Products Corporation; Electric Vacuum Cleaner Company.

"It is interesting to note that in several instances, the United States Circuit Courts of Appeals have condemned this rule of the Board and failed to approve of it. Two such cases recently decided are the Ballston-Stillwater Knitting Co., Inc., decided in the month of August, 1938, by the U. S. Circuit Court of Appeals for the Second District (N. Y.), and Peninsular and Occidental Steamship Co., decided in the month of August, 1938, by the U. S. Circuit Court of Appeals for New Orleans."

EDITORIALS

Bank Stockholders Must Pay Government Loan

Another victory in the broad field of protecting funds of the Federal Government against the questionable practices of certain bankers is recorded by the decision of the United States Circuit Court of Appeals for the Seventh Judicial Circuit in awarding to the Reconstruction Finance Corporation $14,000,000 from the stockholders of the Central Republic Bank & Trust Company, of Chicago, Ill., the old "Dawes Bank," which passed out of existence in 1932.

The suit of the Reconstruction Finance Corporation against the stockholders developed from $90,000,000 in loans made by the R. F. C. to save the bank from collapsing during the days preceding the 1933 bank moratorium.

Charles G. Dawes, a former vice president of the United States, was one of the highlights in the Central Republic Bank & Trust Company. When the financial condition of the bank became acute in June, 1932, Mr. Dawes resigned as chairman of the Reconstruction Finance Corporation and returned to Chicago to save the tottering bank.

A short time later the Reconstruction Finance Corporation agreed to lend the Central Republic $90,000,000, with an immediate advance of $30,000,000 on the commitment. Despite this large loan from the Reconstruction Finance Corporation the affairs of the bank grew worse, and in October, 1932, Mr. Dawes and his associates established a new bank, the City National Bank & Trust Company, with Mr. Dawes as its chairman, to take over the deposits of the Central Republic Bank & Trust Company. This metamorphosis was accomplished through a R. F. C. loan of $50,000,000 under the original commitment.

The banking officials responsible for this involved situation, evidently designed to relieve the stockholders of responsibility for the Government loans, set up the Central Republic Trust Company as a liquidating shell for the old Central Republic Bank & Trust Company.

The suit of the Reconstruction Finance Corporation to collect $14,000,000 of this loan from the stockholders of the Central Republic Bank & Trust Company was filed November 19, 1934, under the Illinois Bank Stockholders Liability Act which provides double liability. In November, 1936, Federal Judge James H. Wilkerson awarded that amount to the Reconstruction Finance Corporation. Presiding Judge Evan E. Evans, who wrote the opinion of the Circuit Court of Appeals upholding the Wilkerson decision, con-

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(From February 27 issue of A. F. of L. Weekly News Service Supplement)

Big Program to Expand Private Industry Is Urged by A. F. of L.

Private Investment Recommended to End Government Spending, Provide Jobs for Millions of Unemployed, and Prevent Business Recession.

By A. F. of L. Weekly News Service

Washington, D. C.—The importance of ending government spending to stimulate business recovery and substitute therefor a large expansion of private industry financed by investors is strongly recommended in the current issue of the Monthly Survey of Business published by the American Federation of Labor.

Declaring that business conditions coupled with the continuance of a large unemployed army calls for "A New Objective," the Survey said:

"The American nation needs a vigorous program on all fronts to expand production by private industry. Such a program is urgent; if we want to replace government spending by private investment, put the unemployed to work in private industry instead of WPA and prevent a business recession in 1940, accounting must be taken at once.

"It will take time and coordinated effort to change from government spending to private initiative; we have barely enough time to accomplish it before the present government spending program loses its force. It is disheartening, therefore, to see so little recognition of this urgency in circles where action can be taken."

Stressing the "controls and agencies for orderly conduct of business in a democracy in the interest of all citizens" set up during the past six years, the Survey said "the time is now ripe for a national effort to reach the highest production levels in history."

Four-Point Program Outlined

Answering its own question, "What are the next steps to expand production?" the Survey said that "government, business, farmers and labor" must work together through "regular channels," and that the problem of getting bank deposits into production must be solved.

With regard to replacing government spending with private investment, the Survey outlined the following four-point program:

1. An "adequate" nation-wide, low-cost housing program, involving "some Federal and local government aid."
2. "Congressional action," as suggested in the wage parleys last Fall to enable railroads to buy "much needed new equipment."
3. General retooling and re-equipment of industrial plants, "much" of which would automatically follow expansion.
4. Purchase of new equipment by

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(From February 27 issue of A. F. of L. Weekly News Service Supplement)

Roosevelt Urges Renewed Peace Efforts by A. F. of L. and C. I. O.

President Believes That "Peace With Honor" Will Result From Resumption of Negotiations by Representatives of Both Sides.

By A. F. of L. Weekly News Service.

Miami, Fla.—President Roosevelt intervened to settle the controversy between the American Federation of Labor and the Congress of Industrial Organizations, a new name for the Committee for Industrial Organization which was set up by John L. Lewis in 1935 to destroy democratic procedure and majority rule in the American Federation and establish an organization based on dictatorship.

In identical letters, made public here, the President asked William Green, president of the American Federation of Labor, and John L. Lewis, president of the C. I. O., to appoint committees to negotiate a "peace with honor."

TEXT OF ROOSEVELT'S LETTER

The text of President Roosevelt's letter to Mr. Green follows:

"My dear Mr. Green:

"In the development of this great nation the continued results of good will, co-operation and mutual helpfulness among the people have been demonstrated continuously. The need of the exercise of these qualities is as urgent now as at any time in American history, particularly as they apply to the welfare of men and women who work. Labor faces a challenge in finding itself divided into opposing camps, but I am sure that labor can and will meet this challenge with understanding and good will.

"The American people sincerely hope that a constructive negotiated peace with honor may come about between the American Federation of Labor and the Congress of Industrial Organizations within the early months of the new year. The Secretary of Labor tells me that after careful investigation and prolonged conversations with responsible leaders in both groups there appear to be no insurmountable ob[illegible] peace and that in fact there is a real and honorable desire for unification of the labor movement among all parties [illegible]cerned. The desire of the general [illegible]ership of both organizations for [illegible] and co-operation with each [illegible] demonstrated by the mass o[illegible] which have come to me, to [illegible] and to Daniel Tobin as th[illegible] result [illegible] simple public statements in favor of peace.

United Labor Movement Stressed

"The opportunities for a united and vital labor movement to make a contribution to American life of help to the present and future generations were never better. The National Manufac-

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(From February 27 issue of A. F. of L. Weekly News Service Supplement)

Green Accepts Roosevelt's Request To Resume Peace Talks With C. I. O.

Appoints Woll, Bates and Tobin on American Federation of Labor Committee to Meet With Representatives of the Lewis Group; Democratic Principles of the A. F. of L. "Cannot be Compromised," He Says.

By A. F. of L. Weekly News Service.

New York, N. Y.—William Green, president of the American Federation of Labor, promptly accepted President Roosevelt's invitation to appoint a committee to meet with a committee representing the Congress of Industrial Organizations in an effort to settle the strife in the labor movement which began in 1935 when the C. I. O. was set up as an organization dual to the A. F. of L.

The committee named by Mr. Green consists of three A. F. of L. vice presidents, Harry C. Bates, president of the Bricklayers, Masons and Plasterers International Union of America; Matthew Woll, first vice president of the International Photo-Engravers Union of North America and editor of the American Photo-Engraver, and Daniel J. Tobin, president of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America.

In announcing the appointment of the committee Mr. Green said the American Federation of Labor would not consent to make the "democratic principles" which underlie the structure of the American Federation of Labor the subject matter of negotiation. He added that the mechanical difficulties in the way of peace had increased since the unsuccessful negotiations at the end of 1937.

TEXT OF GREEN'S STATEMENT

The text of Mr. Green's statement follows:

"I have officially advised the President of the United States of my acceptance of his invitation to appoint a committee representing the American

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Green Appoints Rickert in Place Of Tobin For Peace Conference

Teamsters President Unable to Serve Because of Many Wage Contracts Pending.

By A. F. of L. Weekly News Service.

Washington, D. C.—Following is a copy of a letter sent to President Roosevelt from William Green, president of the American Federation of Labor:

March 2, 1939.

"Dear Mr. President:

"Mr. Daniel J. Tobin, a Vice-President of the American Federation of Labor, whom I appointed to serve as a member of the committee representing the American Federation of Labor, for the purpose of meeting with the committee representing the Congress of Industrial Organizations in an effort to heal the breach which exists within the ranks of labor, as requested in your letter of February 23rd, advised me yesterday, March 1st, that 'because of the enormous amount of work involved, and the innumerable wage contracts expiring in this large international union, it is absolutely and utterly impossible for me to serve as a member of the committee representing the American Federation of Labor in discussions with the representatives of the Congress for Industrial Organization. I am therefore compelled to decline your appointment of me as a member of that committee.'

"In view of this decision made by our good friend, Daniel J. Tobin, I have selected Mr. Thomas A. Rickert, Second Vice-President of the American Federation of Labor, to serve instead.

"The committee representing the American Federation of Labor will now be, Matthew Woll, Third Vice-President, Harry C. Bates, Tenth Vice-President, and Thomas A. Rickert, Second Vice-President of the American Federation of Labor.

"Mr. Rickert has advised me of his acceptance of his appointment to serve as a member of the American Federation of Labor committee."

Three Judges Hold Labor Board Edict Is Subject to Equity Court Review

Joseph Padway, A. F. of L. Counsel, Says Decision of the United States Court of Appeals for the District of Columbia in Longshoremen's Case Is a Victory for the American Federation of Labor.

By A. F. of L. Weekly News Service.

Washington, D. C.—The United States Court of Appeals, in a decision handed down here, held that it was without jurisdiction to consider an American Federation of Labor appeal against the National Labor Relations Board order granting exclusive Pacific Coast collective bargaining rights to the C. I. O. Longshoremen's Union. But at the same time the court ruled that the Board's order was subject to review by the District Court of the United States here. The decision was described by Joseph A. Padway, counsel for the American Federation of Labor, as a victory for the A. F. of L.

The case arose from the decision of the National Labor Relations Board establishing the C. I. O. Longshoremen's Union on the Pacific Coast as the exclusive collective bargaining agency for all longshoremen in that area. The Labor Board's ruling excluded the International Longshoremen's Association, an A. F. of L. affiliate, which had a considerable membership in Pacific Coast cities.

The American Federation of Labor with its affiliate asked the labor board for a re-hearing. This was denied, and the A. F. of L. then appealed the case to the United States Court of Appeals here. In its petition the A. F. of L. asked the court to set aside the order of the National Labor Relations Board.

The decision of the Appeals Court dismissing the A. F. of L. petition hinged on the definition of the word "order." The appellate court held that within the meaning of the language of the U. S. Supreme Court the Labor Board's "decision" was not an "order." Accordingly, because it is not an order, it is not appealable and is subject to challenge and judicial review only by a bill in equity before the Federal District Court.

A. F. of L. Won, Padway Says

In a statement explaining the significance of the Appeals Court ruling, Joseph A. Padway, A. F. of L. Counsel, said:

"The decision is a distinct victory for the American Federation of Labor. The court expressly held that unions aggrieved by rulings of the National Labor Relations Board in representation cases are entitled to commence suits in equity in the Federal District Courts to review the Board's action.

"Until now the Board itself has taken the arrogant position that a union aggrieved in a representation case ruling

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MUELLER BRASS COMPANY SIGNS A. F. OF L. CONTRACT

Eight Hour Day and Seniority Rules Included in Three-Year Pact Negotiated With Port Huron Firm.

By A. F. of L. Weekly News Service.

Port Huron, Mich.—Officials of the Brass, Bronze and Copper Workers Federal Union No. 18796 and Lodge No. 218 of the International Association of Machinists, both affiliated with the American Federation of Labor, announced the finalizing of separate three-year agreements with the Mueller Brass Company calling for a straight eight-hour day and liberalization of seniority rights.

This was the first time in the history of the Mueller plant that the Machinists Local had been recognized as a separate bargaining group. Prior to the new agreement all bargaining was negotiated by the A. F. of L. Federal union.

"The agreement, we think, will advance the interests of our members," Robert Porter, president and chairman of the bargaining committee of the Machinists local, said. "It will establish a better understanding with our employers and, we believe, both the company and ourselves will benefit.

"I hope all future controversy will be as happily concluded."

Carl E. Muir, president of the Federal union and president of the Port Huron Trades and Labor Council, and Lou Hart, AFL organizer here, also said the agreement was satisfactory to their members. "Relationship with the Muel-

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PAPER FIRM GETS ORDER TO RECOGNIZE A. F. OF L.

Nekoosa-Edwards Company Must Also Disband Company Union Which the Firm Had Promoted.

Washington, D. C. (AFLWNS).—The National Labor Relations Board announced that it had found the Nekoosa-Edwards Paper Company, with plants at Nekoosa and Port Edwards, Wisconsin, guilty of unfair labor practices prohibited by the National Labor Relations Act.

Charges against the company were filed by the three following unions affiliated with the American Federation of Labor: International Brotherhood of Paper Makers, Local No. 59; International Association of Machinists, Local No. 1543, and International Brotherhood of Pulp, Sulphite and Paper Mill Workers, Local No. 52.

In order to bring the unfair labor practices to an end the Labor Board ordered the company to cease dominating and to withdraw support and recognition from Nekoosa-Port Edwards Labor Union, successor to the company-inspired Mill Plan which formerly existed at both plants. Evidence showed pronounced company favor toward this organization at Nekoosa.

"Romeo Plenge," the Board said, "was ordered reinstated with full restoration of seniority and other rights at the Nekoosa plant, to his former position with back pay from September 10, 1937. The evidence showed that refusal to reinstate him after an illness was mo-

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LEWIS NAMES GROUP FOR PEACE PARLEY

Murray, Hillman and He Will Confer With A. F. of L. Committee.

By A. F. of L. Weekly News Service.

Washington, D. C.—John L. Lewis, president of the Congress of Industrial Organizations, announced in a letter to President Roosevelt the appointment of a three-member committee to negotiate with an American Federation of Labor Committee appointed by President William Green.

The C. I. O. committee will be composed of Mr. Lewis and Philip Murray and Sidney Hillman, vice presidents. Mr. Murray is also a vice president of the United Mine Workers of America and chairman of the Steel Workers Organizing Committee. Mr. Hillman is president of the Amalgamated Clothing Workers of America and chairman of the Textile Workers Organizing Committee.

Mr. Lewis's letter follows:

"Complying with the request contained in your letter of Feb. 23, I advise that the committee to represent the Congress of Industrial Organizations will consist of Mr. Philip Murray, Mr. Sidney Hillman and undersigned."

UNION RADIO STATION SET UP IN AUSTRALIA

By A. F. of L. Weekly News Service.

Sydney, Australia.—The Australian Worker announces that the Professional Radio Employes Institute is to take over the license for a broadcasting station at Lithgow, New South Wales, known as 2LT and "will operate it as the first broadcasting station in Australia owned by a single Trade Union. The license is now held by the Lithgow Broadcasters' Proprietary, Ltd., and will operate under the new management in March.

"The Institute comprises employes in the radio industry, and the new venture is being undertaken first to show their faith in their own industry, and secondly to seek to attain the highest possible quality of reproduction. The station will be built by the company and manned entirely by skilled members of the Institute."

In Sydney, the Sydney Labor Council operates radio station 2KY.

In Australia broadcasting stations are under the control of the Postmaster-General.

PENSIONS FOR HOUSTON CITY EMPLOYES PLANNED

Houston, Tex. (AFLWNS).—City Attorney Sewall Myer is drawing a legislative bill to authorize a municipal election to pass on a $1,000,000 or $2,000,000 bond issue to set up a pension and retirement fund for all city employes.

Under the plan each of the 2400 city employes would put 3 per cent into the fund each month, which would be matched by the city.

Supreme Court Decision Ends Sit-Down Strikes in America

Labor Board Decision Condemned; the Employes of Fansteel Corporation "Had the Right to Strike, But They Had No License to Commit Acts of Violence or to Seize Their Employers Plant," Decision Says; Order Requiring Fansteel to Re-employ Strikers Held Illegal.

By A. F. of L. Weekly News Service.

Although hailed by Communists, anarchists, parlor intellectuals, pseudo liberals and political opportunists as an advanced technique for the workers in labor disputes, the sit-down strike was definitely killed and oppropriately buried by the United States Supreme Court in its decision in the case of the National Labor Relations Board vs. the Fansteel Metallurgical Corporation.

Two of the main points vigorously defended by the Labor Relations Board, and emphatically outlawed by the Supreme Court, hinged on the legal validity of the sit-down strike of the Fansteel Corporation employes, sponsored by the C. I. O. Amalgamated Association of Iron, Steel and Tin Workers, and the right of the corporation to discharge employes who participated in this practice. With regard to the sit-down strike the Supreme Court majority opinion, written by Chief Justice Hughes, said:

"The employes had the right to strike but they had no license to commit acts of violence or to seize their employer's plant.

"We may put on one side the contested questions as to the circumstances and extent of injury to the plant and its contents in the efforts of the men to resist eviction.

"The seizure and holding of the buildings was itself a wrong apart from any acts of sabotage, but in its legal aspect the ousting of the owner from lawful possession is not essentially different from an assault upon the officers of an employing company, or the seizure and conversion of its goods, or the despoiling of its property or other unlawful acts in order to force compliance with demands.

"To justify such conduct because of the existence of a labor dispute or of an unfair labor practice would be to put a premium on resort to force instead of legal remedies and to subvert the principles of law and order which lie at the foundations of society."

Pointing out that the "true purpose" of Congress in enacting the National Labor Relations Act was "the protection of the right of employes to self-organization and to the selection to representatives of their own choosing for collective bargaining without restraint or coercion," the opinion continued:

"Congress also recognized the right to strike—that the employes could lawfully cease work at their own volition because of the failure of the employer to meet their demands.

Right to Strike Upheld

"Section 13 provides that nothing in the act 'shall be construed so as to interfere with or impede or diminish in any way the right to strike.' But this recognition of 'the right to strike' plainly contemplates a lawful strike—the exercise of the unquestioned right to quit work.

"As we said in National Labor Relations Board v. Mackay Radio and Telegraph Company, 304 U. S. 333,347: 'If men strike in connection with a current labor dispute, their action is not to be construed as a renunciation of the employment relation and they remain employes for the remedial purpose specified in the act.'

"There is thus abundant opportunity for the operation of Section 2 (3) without construing it as countenancing lawlessness or as intended to support employes in acts of violence against the employer's property by making it impossible for the employer to terminate the relation upon that independent ground.

"Here the strike was illegal in its inception and prosecution. As the board found, it was initiated by the decision of the union committee 'to take over and hold two of the respondent's key buildings.' It was pursuant to that decision that the men occupied the buildings and the work stopped.

Seizure Right Denied

"This was not the exercise of 'the right to strike' to which the act referred. It was not a mere quitting of work and statement of grievances in the exercise of pressure recognized as lawful. It was an illegal seizure of the buildings in order to prevent their use

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NLRB Ruled Contrary to Evidence In Sands Case, Supreme Court Says

Upholds Appeals Court Decision In Outlawing Board's Order.

By A. F. of L. Weekly News Service.

Washington, D. C.—The decision of the Supreme Court overruling the action of the National Labor Relations Board charging the Sands Manufacturing Company of Cleveland with violation of the National Labor Relations Act in refusing to bargain collectively with the Mechanics Educational Society of America declared that the board acted contrary to the evidence.

On the various points at issue in the case Justice Roberts, who wrote the three-to-five decision said:

"The Board held that the company had refused to bargain collectively with the representatives of its employes as required by Section 8 (5) of the Act; had discriminated in regard to hire or tenure of employment and discouraged membership in a labor organization contrary to the provisions of Section 8 (3); and, in violation of Section 8 (1), had interfered with, restrained, and coerced its employes in the exercise of the right of self-organization, affiliation with labor organizations and collective bargaining as guaranteed by Section 7. The Circuit Court of Appeals disagreed with these conclusions. We hold that its decision was right.

"The petitioner (National Labor Relations Board) urges the correctness of the ultimate conclusion that the respondent's conduct permits no reasonable inference save that the employes were locked out, discharged, and refused employment because they were members of the MESA and had engaged in concerted activities for the purpose of collective bargaining. We think the conclusion has no support in the evidence and is contrary to the entire and uncontradicted evidence of record."

Chief Justice Hughes and Justices McReynolds, Butler and Stone joined with Justice Roberts in the majority opinion. Justices Reed and Black dissented.

Supreme Court Voids Labor Board's Ruling in Columbian Enameling Case

No Evidence to Support the Board's Decision, Three-to-Five Opinion Says.

By A. F. of L. Weekly News Service.

Washington, D. C.—The decision of the United States Supreme Court rejecting a ruling of the National Labor Relations Board that the Columbian Enameling and Stamping Company, Inc., of Terre Haute, Indiana, had declined to bargain collectively with a union, the striking members of which the board demanded should be reinstated because of this alleged failure, challenged the basis presented by the board to support its case.

After a careful analysis of the testimony, coupled with previous decisions of the Supreme Court in similar cases, Justice Stone, who wrote the three-to-five decision, said:

"Judged by these tests or any of them we cannot say that there was substantial evidence that respondent at any time between July 5, 1935, and September, 1935, was aware that the union desired or sought to bargain collectively with respondent, or that there is support in the evidence for the Board's conclusion that on or about July 23, 1935, respondent refused to bargain collectively with the union."

Chief Justice Hughes, and Justices McReynolds, Butler and Roberts joined with Justice Stone in the majority opinion. Justices Black and Reed dissented.

I. L. O. Governing Body Transacts Important Business for the Workers

R. J. Watt, United States Workers' Representative, Lists Twenty Subjects Benefiting Wage Earners Considered by Quarterly Meeting at Geneva.

By A. F. of L. Weekly News Service.

Washington, D. C.—The important work of the International Labor Organization in advancing the welfare of working men and women in all countries is revealed in the report submitted to President William Green of the American Federation of Labor by Robert J. Watt, United States Workers' representative, on the eighty-sixth session of the I. L. O. Governing Body held in Geneva, Switzerland, January 28 to February 4, 1939.

The text of Mr. Watt's report follows:

"The Governing Body discussed the effect of the following resolutions which had been submitted to the 85th Session:

"(1) Resolution concerning the taking into account of official holidays when fixing the dates for the International Labor Conferences.

"(2) Procedure for the adoption of Conventions and Recommendations.

"(3) Resolution concerning statistics of wages and hours of work in agriculture.

"(4) Resolution concerning supplementary statistics of wages and hours of work submitted by the Committee on Statistics.

"(5) Resolution concerning the simplification of formalities for migrant workers.

"(6) Resolution concerning the renunciation of discrimination which affects workers belonging to certain races.

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GREEN DENOUNCED SIT-DOWN STRIKES IN MARCH, 1937

Communist Scheme in the Automobile Industry Was Disavowed by A. F. of L. President as "An Illegal Seizure of Property" and Opposed to the "Economic and Organization Policy of the American Federation of Labor" Two Years Before the Supreme Court Outlawed the Practice as Force and Violence.

By A. F. of L. Weekly News Service.

On February 27, 1939, the Supreme Court of the United States in its decision in the case of the National Labor Relations Board vs. Fansteel Metallurgical Corporation outlawed sit-down strikes as the use of force and violence utterly void of legal sanction.

In this connection it is instructive to note that in March, 1937, when the Automobile manufacturing industry was disorganized by sit-down strikes inspired by Communists, William Green, president of the American Federation of Labor, issued a statement disavowing this practice as an "illegal seizure of property" and as a weapon which will array public opinion against the workers.

In addition, Mr. Green said, it is an instrument of combat whose use will cause legislation of the compulsory arbitration type to deprive working men and women of the right to organize and carry on those trade union activities under which the workers have made great progress in improving their economic conditions.

"Both personally and officially," he declared, "I disavow the sit-down strike as a part of the economic and organization policy of the American Federation of Labor."

GREEN'S STATEMENT

The full text of Mr. Green's 1937 statement follows:

"The sit-down strike has never been approved or supported by the American Federation of Labor. Because there is involved in its application grave implications detrimental to labor's interests, it must be disavowed by the thinking men and women of labor.

"First, public opinion will not support sit-down strikes. That means labor loses public support when any part of it engages in sit-down strikes.

"Without such support organized labor cannot win strikes or establish and maintain itself as a vital force in the economic and industrial life of the nation. Labor canot afford to lose the support of public opinion.

"Second, temporary advantages gained through sit-down strikes will inevitably lead to permanent injury.

"The public generally will not long tolerate the illegal seizure of property. If persisted in it will through state and federal law-making bodies force the enactment of legislation providing for compulsory arbitration, the incorporation of unions and other repressive forms of legislation which will deprive organized labor of freedom of association and liberty of action within the limitations of both moral and statutory law.

"Such action would be a severe blow to labor.

"Labor should refrain from engaging in sit-down strikes and maintain its freedom of action and association rather than experiment with it and as a result be subjected to oppressive legal regulation and compulsory arbitration.

"Labor therefore runs the risk of losing more than can be gained by engaging in sit-down strikes.

"It must be free to strike against injustice and oppression and for higher wages and better living standards.

"It must be permitted to picket when strikes occur. It may be greatly restricted and perhaps denied the exercise of these elemental rights if it persists in engaging in sit-down strikes.

"I therefore publicly warn labor against this illegal procedure. Both personally and officially I disavow the sit-down strike as a part of the economic and organiation policy of the American Federation of Labor."

MUELLER BRASS COMPANY SIGNS A. F. OF L. CONTRACT

(Continued from Page 1)

ler Brass Company is as good as can be expected between employe and employer," Muir said.

"Members of our union are jubilant over the signing of the contract. We are glad to have the co-operation of the Machinist group, an organization we never have opposed."

"Though negotiations were very lengthy, we feel that they were carried on under very pleasant circumstances," Hart said.

The new contract is similar to the one signed by Mueller officials and members of the Federal union in September, 1937. Base hourly rates are the same.

Though the contract is valid over a three-year period, a stipulation was made by both parties for an agreement on wages for each of the three years. Failure of an agreement on wages 60 days after negotiating has started will make the contract void.

One of the changes in the agreement calls for an eight-hour day at regular wages and pay and a half for overtime. The old agreement stipulated a 44-hour week but did not limit the number of daily hours.

Liberalization of seniority rights was another of the important changes.

The average wage rate today is 80 cents an hour. The two unions are bargaining agents for all plant employes.

Mr. Muir, chairman, Nelson Ryckman, Frank Schleicher, Leslie Sova, Harry Price, John Mort and Reese Jones were members of the Federal union committee and Mr. Porter, chairman, Harry Smith and Robert Carnahan were members of the Machinists' committee.

Roosevelt Urges Renewed Peace Efforts by A. F. of L. and C. I. O.

(Continued from Page 1)

turers Association recently has made a statement expressive of a better understanding of the problems of labor relationships and of their willingness to work with labor in a realistic effort to improve their mutual relations and to better general working conditions. The complicated economic and social problems of today require the co-operation of responsible groups of citizens of all walks of life and the effectiveness of labor in this type of council can only be realized by its fundamental unity of purpose and program.

"I do not need to remind you of the great variety of opportunities to be of service which will come to a united labor movement. Many of your members have spoken to me of these opportunities and many of them have also pointed out to me the hazards and dangers to which the labor movement is subject, both internally and from without, if it cannot find a pattern of unity.

Gives Reasons for Peace Effort

"Therefore, first, because it is right; second, because the responsible officers from both groups seem to me to be ready and capable of making a negotiated and just peace; third, because your membership ardently desire peace and unity for the better ordering of their responsible life in the trade unions and in their communities, and fourth, because the government of the United States and the people of America believe it to be a wise and almost necessary step for the further development of the co-operation between free men in a democratic society such as ours, I am writing to ask you to appoint a committee to represent your organization and to negotiate the terms of peace between the American Federation of Labor and the Congress of Industrial Organizations. Whatever assistance we in the government can give you in this matter will be gladly given.

"I wish to reiterate the sincerity of my belief in labor's capacity to end this breach and my faith in the intention of the wage earners of America to play their part along with all other groups in our community in overcoming our mutual problems and bringing about the good American democratic life.

"I am sure that these results can be achieved if the parties come together with open minds and a clear intention to effect genuine peace and harmony in the labor movement.

"It is with confidence that I write you, dear Bill, as a man of good will, of experience and high principles. I trust I shall very shortly receive a reply giving me the names of the members of the committee which you will appoint.

"Sincerely yours,

"FRANKLIN D. ROOSEVELT."

Supreme Court Decision Ends Sit-Down Strikes in America

(Continued from Page 1)

by the employer in a lawful manner and thus, by acts of force and violence, to compel the employer to submit.

"When the employes resorted to that sort of compulsion they took a position outside the protection of the statute and accepted the risk of the termination of their employment upon grounds aside from the exercise of the legal rights which the statute was designed to conserve."

Turning to the contentions of the Labor Board that the sit-down strike was justified because of the Fansteel Metallurgical Corporation's alleged violation of the Labor Relations Act and that the corporation did not have the right to discharge employes connected with the strike, the Court made this significant declaration:

"As respondent's unfair labor practices afforded no excuse for the seizure and holding of its buildings, respondent had its normal rights of redress. Those rights, in their most obvious scope, included the right to discharge the wrongdoers from its employ.

"To say that respondent could resort to the State court to recover damages or to procure punishment, but was powerless to discharge those responsible for the unlawful seizure would be to create an anomalous distinction for which there is no warrant unless it can be found in the terms of the National Labor Relations Act."

With regard to the Labor Board's argument that the Fansteel Corporation did not have the legal right under the labor act to discharge employes because of sit-down strike activities, the Court declared.

"We think that the argument misconstrues the statute. We are unable to conclude that Congress intended to compel employers to retain persons in their employ regardless of their unlawful conduct—to invest those who go on strike with an immunity from discharge for acts of trespass or violence against the employer's property, which they would not have enjoyed had they remained at work.

Fails to Find Law Support

"Apart from the question of the constitutional validity of an enactment of that sort, it is enough to say that such a legislative intention should be found in some definite and unmistakable expression. We find no such expression in the cited provision."

And so, on February 27, 1939, the Supreme Court affirmed the position taken by President William Green of the A. F. of L. in March 1937, that the sit-down strike is "the illegal seizure of property," utterly opposed to American institutions and abhorrent to the "economic and organization policy of the American Federation of Labor."

Justices McReynolds, Butler, Stone and Roberts joined with Chief Justice Hughes in the majority opinion. Justices Black and Reed dissented.

PAPER FIRM GETS ORDER TO RECOGNIZE A. F. OF L.

(Continued from Page 1)

tivated by desire to remove his influence from the Nekoosa plant, where his leadership in the AFL was effective in combatting the Independent. The contention that such reinstatement would cause many Independent members to quit their employment was found incredible in view of the fact he had represented his department under the former Mill Plan.

"The order requires the company to recognize, and upon request to bargain with the AFL as exclusive representative of all production and maintenance employes, excluding clerical and supervisory employes but including power and laboratory employes, in one unit embracing both plants. Evidence showed such a unit existed under the former Mill Plan, which had been used successfully to stifle AFL efforts to organize twice between 1933 and 1937. The AFL desired and sought to bargain for all employes of both plants in one unit here, although they were organized under three of its affiliates.

"Evidence further showed the company had refused to bargain with the AFL on and since August 13, 1937, when the Board's Regional Director for the Twelfth Region had advised the company that the AFL represented 669 among 1,012 employes in the above unit.

"Claims of the Independent constituted no justification for repeated refusals to recognize the AFL, since it was incapable of functioning as a bona fide labor organization because of company domination."

Three Judges Hold Labor Board Edict Is Subject to Equity Court Review

(Continued from Page 1)

has no right of review in any court or anywhere else.

"While the Court of Appeals decided it had no jurisdiction to review the case, it did tell us we are entitled to such review in the Federal district courts. That was what we wanted to know. The American Federation of Labor started two proceedings to test the right of review in a representation case—this one and the Tennessee Copper Company case which is pending in the Federal District Court for the District of Columbia. The National Labor Relations Board contended neither court had jurisdiction. The Court of Appeals, on the contrary, held the District Court does have jurisdiction.

"This situation establishes the urgent need of amendment of the National Labor Relations Act, as provided for in the Walsh bill, to make it mandatory that aggrieved unions be granted the right to appeal to the courts from unjust orders by the board in representation cases.

Court Explains Case

"The word 'unjust' is not lightly used here. The facts in the Pacific Coast Longshoremen's case are shocking in the unfairness manifested by the National Labor Relations Board toward the American Federation of Labor unions involved. As summarized by the court in its decision, this is what happened:

"'. . . Petitioner's grievance grows out of the fact that in ascertaining the appropriate representative of the men the Board ignored the identity of separate employers or of separate ports and extended the employer unit to include the entire Pacific Coast, with the result that the rival union was designated and certified as the sole representative—in consequence of which its own union was 'put out of business' and its members obliged to become members of its rival and deal with the employer either exclusively through it or not at all.

"'In short, that by reason of the Board's decision to enlarge the "unit" to embrace about 25 separate ports and the acceptance of its decision by the employers, a situation has arisen as the result of which a so-called closed shop contract may be entered into which will require petitioner's members, even where they predominate in a particular locality or business, to join the other union or possibly be displaced from their employment by members of that union.'"

Green Accepts Roosevelt's Request To Resume Peace Talks With C. I. O.

(Continued from Page 1)

Federation of Labor to meet with a committee representing the Congress of Industrial Organizations for the purpose of healing the breach which was created within the ranks of labor.

"In my letter addressed to the President I stated there could be but one answer to such an invitation, and that would be to respond favorably to his request. Authority for such prompt action on my part is found in the declaration of the Houston convention of the American Federation of Labor held last October, which declares that the convention authorized the Executive Council 'to continue to carry on the battle and at the same time stand ready to respond to any genuine appeal for peace or any honorable and sincere opportunity to reunite the labor movement.'

"I advised the President that I have appointed Mr. Harry C. Bates, Mr. Matthew Woll and Mr. Daniel J. Tobin, all members of the Executive Council of the American Federation of Labor, as a committee to represent the American Federation of Labor in peace negotiations, as the President requested.

A. F. of L. Principles Are Sacred

"It must be obvious that time has served to develop new complications which will now make it more difficult to establish a basis of accommodation and to reunite labor under the banner of the American Federation of Labor.

"The preservation of the structure of the American Federation of Labor and the preservation of its democratic principles are of transcendent importance and cannot be compromised or made the subject matter of negotiation. That fact will be kept constantly in mind in all negotiations which may be initiated and carried on.

"In addition, the economic and political philosophy evolved by the American Federation of Labor out of almost three-quarters of a century of experience cannot be compromised.

Problem Has Become More Difficult

"The reabsorption of the groups which left the American Federation of Labor and the new unions which said groups created will present a problem more difficult of solution now than it was when committees representing the two organizations carried on negotiations for several weeks about a year and a half ago.

"The American Federation of Labor will enter into peace negotiations as the President requested. As I stated to the President in my letter today the officers and members of the American Federation of Labor have always been fully conscious of the injury imposed on organized labor through the division which was created within the ranks of labor. For that reason we greatly deplore the organizational set-up of a rival, dual movement such as the Committee for Industrial Organization, now known as the Congress of Industrial Organizations."

Mr. Green said he had consulted with President Roosevelt about a month ago and was aware that the President's letter would be sent. He made clear that he had not requested the President to take action.

Mr. Green was in New York to speak at a meeting of Local No. 3 of the International Brotherhood of Electrical Workers and remained here for conferences with A. F. of L. officials.

EDITORIALS

(Continued from Page 1)

cluded the opinion with this significant declaration regarding the responsibility of stockholders for the debt incurred by the bank:

"Concluding as we do that this stockholders' liability was a right which attached when Central gave its note to the plaintiff and is enforceable in a direct suit against the stockholders, it follows that the decree should be, and it is hereby affirmed."

The distressing note in the case is that the wealthy stockholders involved in this malodorous transaction should be so lacking in business morality as to attempt to defraud the Government and violate the law prescribing their legal obligation.

Democracy and the Unemployed Army

Protecting and perpetuating the democratic institutions which characterize the United States is a motive dear to all patriotic citizens. But love for American institutions cannot be expected to find an enthusiastic reflection among the millions of jobless workers whose right to earn a living for themselves and their dependents by their labor has been denied for many years by those who own and control industry and commerce.

This fear that democracy is seriously menaced by the persistent refusal of employers to provide jobs for millions of unemployed workers was well expressed by Secretary of Commerce Harry L. Hopkins in his recent address before the Economic Club of Des Moines, Iowa, in the following terse statement:

"Some people may think we can maintain a democracy in this country indefinitely with 10,000,000 unemployed. I don't. If I had no other motivation other than my deep love of freedom, I would want to do every thing in my power to try to help solve the problem of unemployment."

As a definite step toward providing employment for the jobless Mr. Hopkins urged teamwork between the Government, private industry and labor in the development of reasonable programs to expand production on a profit-making basis. But he did not mention shorter hours which the continued introduction of labor-displacing, job-destroying machinery has made imperative but which organized capitalists, determined to seize the achievements of technological improvements for the exclusive benefit of profit grabbers, still intransigently refuse to accept as a fundamental part of our industrial policy.

Drastic reduction of the length of the work day and work week is the basis of the solution of the unemployment problem. It is to be hoped that serious minded officials in both the Government and private industry will quit stargazing in considering unemployment, examine the question with a pragmatic realization of the facts, and join with labor to rescue the victims of job-destroying machinery by applying shorter hours of work.

(From February 27 issue of A. F. of L. Weekly News Service Supplement)

R. A. TORRES, PUERTO RICAN LABOR HEAD, DIES

Passes Away at San Juan at the Age of Sixty; Served Many Years in the Island's Legislature.

By A. F. of L. Weekly News Service.

San Juan, Puerto Rico.—Rafael Alonso Torres, one of the founders and general secretary of the Federacion Libre (Free Federation of Workingmen of Puerto Rico), affiliated with the American Federation of Labor, died here on February 23. He was sixty years of age.

During his boyhood Mr. Torres became a typesetter. He joined Santiago Iglesias, now Resident Commissioner of Puerto Rico in Washington, in the Island labor movement immediately following the American occupation after the Spanish American War and never ceased his activity in the labor movement.

He established and published the first labor paper in Puerto Rico. Later he joined in the organization of the Socialist party. He was the first Socialist representative in the Puerto Rican Legislature, serving continuously in the lower house since 1917. In recent years he was vice speaker.

The appointment of Mr. Torres to the board of trustees of the University of Puerto Rico in 1923 by Governor Gore resulted in a strike of students. The situation became so threatening that the university president declared a recess of two weeks, after which Mr. Torres voluntarily resigned. In accepting his resignation, Governor Gore wrote:

"I want to say that I know that you have risen to the heights of public spirit in tendering me this resignation. I appointed you because you were a representative of the mass of the working people of this island, and I felt that they were entitled to representation on the board of the university."

On the day following his death the Legislature adjourned in his honor and many members as well as hundreds of union representatives attended the funeral. Surviving are his widow, three sons and an adopted daughter.

Pollard Heads Southern Textile Workers Federation, A. F. of L.

Gorman Plans Special Convention of United Textile Workers; Reveals Weakness of C. I. O. Contract With American Woolen Company.

By A. F. of L. Weekly News Service.

Washington, D. C.—In a letter to five hundred textile unions Francis J. Gorman, president of the United Textile Workers of America, affiliated with the American Federation of Labor, announced the election of the following officers in the Southern Textile Workers Federation: President, John Pollard, Spartanburg, S. C.; secretary, Elmer Estes, Atlanta, Ga.; board members, L. J. Johnson, Bath S. C., Annie Laura West, Spartanburg, S. C., and Jerome Rikard, Florence, Ala.

Officers of the A. F. of L. Woolen and Worsted Federation are: President, Joseph Sylvia, Providence, R. I.; secretary, Anthony Valenti, Lawrence Mass.; members of executive council: Norman Campbell, Jamestown, N. Y., James Carlen, Worcester, Mass., Mary Taccone, James Horrigan, Providence, R. I.; Charles Connors, Hudson, N. Y.

List of U. T. W. Officials

The officers and five executive council members of the United Textile Workers of America, Mr. Gorman said, are as follows: President, Francis J. Gorman, Washington, D. C.; vice presidents, C. M. Fox, Atlanta, Ga.; Gordon Chastain, Spartanburg, S. C.; Joseph Sylvia, Providence, R. I.; board members, J. T. Morgan, Lyman, S. C.; Wm. Smith, Paterson, N. J.; Ann Chesson, Anniston, Ala.; Joseph Taylor, Taunton, Mass.; D. A. Smith, McComb, Miss.; Anthony Valenti, Lawrence, Mass.; James Horrigan, Providence, R. I.; Norman Campbell, Jamestown, N. Y.; William Worsley, Yorkville, N. Y. Certain vacancies are being held for selection of the other departments. At the request of Mr. Gorman, Frank Morrison, secretary-treasurer of the American Federation of Labor, will serve as treasurer of the United Textile Workers until the special convention meets.

The executive council of the United Textile Workers of America will serve until the special convention, which will be held in Washington within three months, unless called sooner because of legal and organizational developments or because of the relationship between the U.T.W. and the C.I.O. Textile Workers Organizing Committee.

Case Against C. I. O.

Mr. Gorman explained that the courts and more recently the American Federation of Labor had decided that the U.T.W. is the only legitimate International Union of Textile Workers, and while the court cases now in process in various parts of the country will take time for final adjustment, he is confident that in every case the constitution of the U.T.W. will be accepted in the courts as the only guide for the permanent establishment of the Textile Workers Union, and that the T.W.O.C. will disappear before the regular convention in 1940.

In order to qualify for the special convention, said Mr. Gorman, the locals and delegates must agree to support the U.T.W. constitution and the U.T.W. as an affiliate of the A. F. of L. Mr. Gorman said the entire controversy was created by the T.W.O.C. because this temporary organizing committee attempting to dismember and seize control of the International Union and because the C. I. O. failed to recognize the sanctity and jurisdiction of the U.T.W. On the other hand, the A. F. of L. has always respected the autonomous rights of its affiliated Internationals, regardless of organizational or personal differences.

Will Challenge C. I. O. Agreement

Commenting on the agreement between the T.W.O.C. and certain mills in the American Woolen Company, as an illustration, Mr. Gorman said a perusal of the names of those who took part in negotiations would show that the officers of the Amalgamated Clothing Workers were attempting to dominate the industry. Mr. Gorman pointed out that Sidney Hillman, A.C.W. president, signed the agreement before submitting it to the unions and workers concerned. Furthermore the agreement gives the workers nothing they did not have before. Finally, it was ratified by a handful of people when thousands should have a chance to vote on a proposition of this kind. Mr. Gorman charged that the T.W.O.C. hasn't a hundred bona fide members in the affected mills. He said that the A. F. of L. Woolen and Worsted Federation made up of textile workers will oppose the agreement and demand that the company make an agreement by and through the Textile Workers and not in secret conferences between Mr. Hillman and the American Woolen Co. president.

Labor Board Charged With Fostering Strife Among Fish Cannery Workers

Secretary Vandeleur of California State Federation of Labor Cites Procedure in Monterey As Indicating Opposition to the A. F. of L. and Favoritism to the C. I. O.

By A. F. of L. Weekly News Service.

San Francisco, Calif.—Charges that the National Labor Relations Board is brazenly sanctioning industrial strife in the Monterey fish cannery workers controversy were made recently by Edward D. Vandeleur, secretary of the California State Federation of Labor.

The charges were made following the calling of an election by Mrs. Alice M. Rosseter, regional director of the Labor Board, to determine whether the A. F. of L. or the C. I. O. shall represent the workers in collective bargaining.

Vandeleur's statement, which follows, also points to a contrast in action in the Monterey situation and the Westwood lumber controversy.

Labor Board Inuence by C. I. O.

"The calling of an election in Monterey is another open indication that the Regional Labor Board is subjecting itself to the dictates of the C. I. O., and is one of the most brazen of attempts to assist a C. I. O. 'muscle in' effort against a long existing A. F. of L. organization," Vandeleur said.

"For several months illegitimate tactics have been encouraged by the Labor Board in the Monterey situation. Workers have been intimidated, turmoil has resulted in the industry, and even dynamite was used on the home of an A. F. of L. worker.

A. F. L. Contract Is Legal

"The fact is that the A. F. of L. has an indisputably legal contract in effect for several years covering the fish cannery workers at Monterey, and which does not expire until August 1, 1939, as shown by evidence of record at a hearing before a Labor Board examiner last month. It was also testified to and not contradicted at the hearing that at least 90 per cent of the workers in the canneries involved belong to the A. F. of L., or a total of about 2000 members.

"Comparing facts in the Monterey case with those in the Westwood situation, it is apparent that the 20th Regional Labor Board is playing ball with the C. I. O., and encouraging industrial strife.

"In the Monterey case a hearing was held before a Labor Board examiner from January 9 to 12, 1939, and briefs were filed by January 20. On January 29 an order came down for an election. Prompt action because the C. I. O. is seeking the election.

Labor Board Delay's Westwood Election

"In the Westwood case a Labor Board hearing was completed late in October of last year. Although an election was agreed to at that time, or more than three months ago, no order for such an election has yet been forthcoming from the 20 Regional Labor Board.

"And now Mrs. Rosseter, the regional director, states that an additional delay of at least 60 days will be necessary before an election can possibly be held at Westwood, which is no assurance at all that an election will ever be held. It is significant that the A. F. of L. requests the election in this case.

C.I.O.-Labor Board Alliance in Monterey

"It is also a matter of Labor Board record in the Monterey case that two so-called C. I. O. organizers did not come into the area until late in October of 1938, nearly three months after the A. F. of L. contract was signed for 1939.

"Immediately after their arrival intimidation of our workers began. More outside agitators arrived. An attempt by these racketeers to 'sign up' the workers failed. An attempted strike sponsored by them failed.

"In the face of all these facts the Regional Labor Board has the audacity to call for this election. The testimony before the Labor Board examiner at the January hearing in Monterey is enough to convince any independent and fair minded judge that the representatives of the Regional Labor Board are leaning strongly toward the C. I. O. without justification.

"There are so many inconsistencies in the action of the Board's conduct of the Monterey case during the past few months that it would require untold space to narrate them.

"The Labor Board was created to eliminate disputes, and not to foster them. Such action as the Board's representatives are guilty of in the Monterey case can only foster industrial strife, bring chaos to the industry, interfere with the ow of interstate commerce, and reate general unrest."

Government Is Victorious in First Suit For Violating Wage-Hour Act

Pay Envelopes of Lawrence Shoe Concern's Employes Contained As Little As $2.38 and $2.64 Per Week; Fined $1,500.

By A. F. of L. Weekly News Service.

Boston, Mass.—The efficacy of the Fair Labor Standards Act of 1938 as a measure to protect working men and women against being required to accept wages far below the amount necessary to provide decent living standards was demonstrated here when the Government of the United States won its first criminal suit for violation of the act and secured the imposition of fines totaling $1,500 following pleas of guilty entered by the defendants.

The guilty pleas were entered in behalf of Brown Contract Stitching, Inc., a Lawrence (Mass.) Shoe Company, and Nathan Brown, its treasurer and general manager, to four Federal indictments charging failure to pay a minimum wage of 25 cents an hour, falsification of records, failure to keep required records and the placing in interstate commerce of goods produced under those conditions.

Federal Judge Elisha H. Brewster imposed a $1,000 fine on Brown and a $500 fine on the company on each indictment, but he suspended payment of penalties for three of the four violations after counsel advised the court restitution would be made to underpaid employes.

The Government's case was prepared by Joseph E. Brill, chief of the Wage and Hour Division of the Department of Labor. Mr. Brill asked that Brown and the company be fined $1,000 each, but Judge Brewster said the penalty imposed would "show it had cost more than $2,000 to play with fire," which would be "sufficient to, discourage others."

Mr. Brill presented evidence that one young woman employe received only $2.64 for one week's work and another only $2.38. He estimated the company had saved $700 to $1,000 by evading the Wage-Hour Act. The company employs about 300 persons.

Another Lawrence shoe company is under Federal investigation. Federal officers indicated other manufacturers in this region would come under their scrutiny.

"The Government wants manufacturers to know the act is being enforced and that it is unprofitable to violate it," Mr. Brill declared.

The case was described by Thomas H. Eliot, New England director of the wage and hour division of the Labor Department, as the "first step in the routine enforcement of the Wage and Hour Law in New England."

SALES CAMPAIGN BOOSTS FARM PRODUCTS DEMAND

Madison, Wis. (AFLWNS).—The efficiency of sales campaigns to increase the demand for commodities made in Wisconsin is pictured by the five months operation of the Wisconsin Agricultural Authority in promoting Wisconsin products.

Wilbur G. Carlson, manager of the WAA, reported that the entire operating cost, including organization and equipment for the five months was $22,210.88 and that the increased sales resulting therefrom brought a direct return of $615,862.50. This means that every dollar spent to enlarge the sale of commodities produced in Wisconsin brought $30 to the people of the State.

TEXAS PROVIDES FUNDS FOR OLD-AGE PENSIONS

Austin, Tex. (AFLWNS).—The necessity of reducing March payments to approximately 114,000 persons on the Texas old age pension rolls was removed when Governor O'Daniel signed the bill authorizing a State loan of $900,000 to continue full payment until the State Legislature works out a permanent program.

(From February 27 issue of A. F. of L. Weekly News Service Supplement)

FENTON IS NAMED A. F. L. ORGANIZATION DIRECTOR

Former Head of Boston Central Labor Union and of A. F. of L. Textile Workers National Council Succeeds Lewis G. Hines.

By A. F. of L. Weekly News Service.

Washington, D. C.—President William Green of the American Federation of Labor announced the appointment of Francis P. Fenton, of Boston, as National Director of Organization for the American Federation of Labor. Mr. Fenton succeeds Lewis G. Hines, who resigned in January to become Secretary of Labor and Industry of Pennsylvania.

Mr. Fenton will take charge of the nation-wide organizational activities of the American Federation of Labor which is enrolling many thousands of new members each month in its drive to organize workers in American industry into free and democratic trade unions He brings to his new job a life-time of experience in the labor movement and a successful record as regional organizer in New England for the Federation.

A former President of the Boston Central Labor Union (1927-1928), he is affiliated with the Printing Pressmen's Union of Boston and formerly was affiliated for fifteen years with the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America. He has served the Federation as Northern Director of the National Council of Textile Workers and represents labor, by appointment of Wage-Hour Administrator Andrews, on Industry Committees No. 1 and No. 1A, in the cotton and wool textile fields.

While working in a Boston coal yard, Mr. Fenton studied law at night and was admitted to the Massachusetts bar in 1927. A year ago he was admitted to practice before the Supreme Court of the United States. He is 44, married and has five children. His headquarters will be in the American Federation of Labor Building, Washington, D. C.

I. L. O. Governing Body Transacts Important Business for the Workers

(Continued from Page 1)

"The Governing Body after long discussion accepted the reports of several committees with the following recommendations:

"(1) Committee on Recreation: At the request of the workers group a much broader scope will be considered by this committee.

"(2) Study of discrimination against the elderly worker: at the request of the workers group this study is to be continued by a consultation of the governments.

"(3) Committee on Safety on coal mines: This study relates to a discussion which it was decided to place on the agenda for the 1940 Conference.

"(4) The Governing Body received the reports of experts in the investment of Social Insurance Funds and the Report of the Mixed Agricultural Committee.

"(5) The Preparatory Textile Committee made a report on the setting up of an International Tripartite Committee on the Textile Industry. The Governing Body authorized the setting up of such a committee, and approved its terms of reference as defined by the Preparatory Committee.

"The agenda for the 1940 Conference of the International Labor Organization was agreed to as follows:

"(1) Labor Inspection for single discussion.

"(2) Safety provisions for underground work in coal mines for single discussion.

"(3) Weekly rest in commerce and offices for double discussion.

"(4) Rights of Performers in Broadcasting, Television and the Mechanical Reproduction of Sounds for double discussion.

"The Governing Body approved the report of the Finance Committee, the main outline of which was as follows:

"(1) Approval of the reduction in the budget of the International Labor Organization of 1,125,000 Swiss Francs, proposed by the Committee on Budgetary Economics.

"(2) Approval in principle of the method of allocating the reduction, as proposed by the Committee on Budgetary Economics, as follows: Non-recurring expenditure, 60,000 francs; staff charges, 800,000 francs; other charges, 265,000 francs; total, 1,125,000 francs.

"(3) Placing at the disposal of the Director in the 1940 budget a lump sum for reorganization, fixed at 250,000 Swiss Francs.

"(4) Suppression of the publication in German of the 'year book' and 'Legislative Series.'

"The Governing Body after taking account of the date of Easter fixed the date of the Eighty-Seventh Session of the Governing Body to be held in Geneva, Switzerland, during the week of April 17 to April 22, 1939."

Big Program to Expand Private Industry Is Urged by A. F. of L.

(Continued from Page 1)

utilities and "Federal help" to extend power lines into new areas.

Government Aid In Planning Visioned

As prerequisites to such a program, "business needs the assistance of legislation and planning and some programs will require financial aid from the government," the Survey said, while "labor needs the assurance that wages will be increased through collective bargaining as profits rise" and that rising prices will not cancel wage gains.

On the international side, the Survey said that "war scares have delayed business expansion this Spring" though "optimism continues" and it gives this warning:

"We in America need to guard against an emotional approach to foreign problems, which would magnify war scares, create hatred and fear, and serve as a background for large armament expenditures.

"We are now a world power with full responsibility for weighing consequences of our declarations and policies upon world peace and welfare."